

REVENUE DEPARTMENT[701]

Adopted and Filed

Pursuant to the authority of Iowa Code chapter 17A and sections 452A.59 and 452A.76, the Department of Revenue hereby amends Chapter 18, “Taxable and Exempt Sales Determined by Method of Transaction or Usage,” rescinds Chapter 63, “Administration,” Chapter 64, “Motor Fuel,” and Chapter 65, “Special Fuel,” and amends Chapter 67, “Administration,” Chapter 68, “Motor Fuel and Undyed Special Fuel,” and Chapter 231, “Exemptions Primarily of Benefit to Consumers,” Iowa Administrative Code.

Notice of Intended Action was published in IAB Vol. XXXI, No. 7, p. 790, on September 24, 2008, as **ARC 7204B**.

Item 1 amends subrule 18.37(5) to replace the outdated term “gasohol” with the updated term “ethanol.”

Item 2 rescinds 701—Chapter 63, “Administration,” Chapter 64, “Motor Fuel,” and Chapter 65, “Special Fuel.” Iowa Code chapter 452A was rewritten in 1995 by House File 552 [chapter 155] during the 1995 legislative session and became effective January 1, 1996. Also effective January 1, 1996, Chapter 63 was replaced by Chapter 67; Chapter 64 was replaced by Chapter 68; and Chapter 65 was replaced by Chapter 69. The administrative rules contained in 701—Chapters 63 to 65 were maintained for audit purposes. The Department has determined that these rules should be rescinded at this time.

Item 3 amends rule 701—67.1(452A), the definition of “supplier,” to include persons who produce or acquire biofuel or biodiesel for storage at and distribution from a terminal.

Item 4 amends the implementation clause for rule 701—67.1(452A).

Item 5 amends rule 701—67.23(452A) by adding new subrule 67.23(5), which authorizes the Director to regard a person or facility in possession of fuel products as a person or facility defined in Iowa Code section 452A.2.

Item 6 amends Chapter 67 by adding new rule 701—67.27(452A). This new rule requires the Department to report the number of gallons of retail fuel sales, by classification, to the Governor and the Legislative Services Agency by April 1 of each year.

Item 7 amends subrule 68.2(1) to show the change in the tax rate for gasoline from 20.7 cents to 21 cents for the fiscal year beginning July 1, 2008, and ending June 30, 2009.

Item 8 amends subrule 231.2(1) to replace the outdated term “gasohol” with the updated term “ethanol.”

These amendments are identical to those published under Notice of Intended Action.

These amendments will become effective December 24, 2008, after filing with the Administrative Rules Coordinator and publication in the Iowa Administrative Bulletin.

These amendments are intended to implement Iowa Code sections 452A.2(35), 452A.33(2), and 452A.59 as amended by 2008 Iowa Acts, Senate File 2400, sections 62, 63 and 64.

EDITOR’S NOTE: Pursuant to recommendation of the Administrative Rules Review Committee published in the Iowa Administrative Bulletin, September 10, 1986, the text of these amendments [rescind Chs 63 to 65; amend Chs 18, 67, 68, 231] is being omitted. These amendments are identical to those published under Notice as **ARC 7204B**, IAB 9/24/08.

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[For replacement pages for IAC, see IAC Supplement 11/19/08.]